

Professional, Scientific, and Technical Services

SCOPE

The Professional, Scientific, and Technical Services sector (sector 54) comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide services to clients in a variety of industries and, in some cases, to households. Activities performed include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services.

This sector excludes establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics. These establishments are classified in Sector 56, Administrative and Support and Waste Management and Remediation Services.

Data for this sector are shown for establishments of firms subject to federal income tax, and separately, of firms that are exempt from federal income tax under provisions of the Internal Revenue Code.

Many of the “kinds of business” included in this sector are not thought of as commercial businesses and the terms (such as “business,” “establishment,” and “firm”) used to describe them may not be descriptive of such services. However, these terms are applied to all “kinds of business” in order to maintain conformity in the measures of the production and delivery of goods and services and in the presentation of data.

Exclusions. The tabulations for this sector do not include central administrative offices, warehouses, or other establishments that serve professional, scientific, and technical service establishments within the same organization. Data for such establishments are classified according to the nature of the service they provide. For example, separate headquarters establishments are reported in NAICS sector 55, Management of Companies and Enterprises.

The reports described below exclude establishments of firms with no paid employees. These “nonemployers,” typically self-employed individuals or partnerships operating businesses that they have not chosen to incorporate, are reported separately in *Nonemployer Statistics*. The contribution of nonemployers, relatively large for this sector, may be examined at www.census.gov/nonemployerimpact.

Definitions. Industry categories are defined in Appendix B, NAICS Codes, Titles, and Descriptions. Other terms are defined in Appendix A, Explanation of Terms.

REPORTS

The following reports provide statistics on this sector.

Industry Series. There are nine reports, each covering a group of related industries. The reports present, by kind of business for the United States, general statistics for establishments of firms with payroll on number of establishments, receipts/revenue, expenses of tax-exempt establishments, payroll, and employment; comparative statistics for 2002 and 1997; product lines; and concentration of business activity in the largest firms. The data in industry reports are preliminary and subject to change in the following reports.

Geographic Area Series. There is a separate report for each state, the District of Columbia, and the United States. Each state report presents, for establishments of firms with payroll, general statistics on number of establishments, receipts/revenue, expenses of tax-exempt establishments, payroll, and employment by kind of business for the state, metropolitan and micropolitan statistical areas, counties, and places with 2,500 inhabitants or more. Greater kind-of-business detail is shown for larger areas. The United States report presents data for the United States as a whole for detailed kind-of-business classifications.

Subject Series:

- **Product Lines.** This report presents product lines data for establishments of firms with payroll by kind of business. Data are presented for the United States and states. Establishments may report negative revenue for selected product lines. Because of this, percentages for product lines may be in excess of 100 or less than 0.
- **Establishment and Firm Size (Including Legal Form of Organization).** This report presents receipts/revenue, payroll, and employment data for the United States by receipts/revenue size, by employment size, and by legal form of organization for establishments of firms with payroll; and by receipts/revenue size (including concentration by largest firms), by employment size, and by number of establishments operated (single units and multiunits) for firms with payroll.
- **Miscellaneous Subjects.** This report presents data for a variety of industry-specific topics for establishments of firms with payroll. Presentation of data varies by kind of business.

ZIP Code Statistics. This report presents data for establishments of firms with payroll by United States ZIP Code.

Other reports. Data for this sector are also included in reports with multisector coverage, including *Nonemployer Statistics*, *Comparative Statistics*, *Bridge Between 2002 NAICS and 1997 NAICS*, *Business Expenses*, and the Survey of Business Owners reports.

GEOGRAPHIC AREAS COVERED

The level of geographic detail varies by report. Maps are available at www.census.gov/econ2002maps. Notes specific to areas in the state are included in Appendix D, Geographic Notes. Data may be presented for –

1. The United States as a whole.
2. States and the District of Columbia.
3. Metropolitan and micropolitan statistical areas. A core based statistical area (CBSA) contains a core area with a substantial population nucleus, together with adjacent communities having a high degree of social and economic integration with that core. CBSAs are differentiated into metropolitan and micropolitan statistical areas based on size criteria. Both metropolitan and micropolitan statistical areas are defined in terms of entire counties, and are listed in Appendix E, Metropolitan and Micropolitan Statistical Areas.
 - a. Metropolitan Statistical Areas (metro areas). Metro areas have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.
 - b. Micropolitan Statistical Areas (micro areas). Micro areas have at least one urban cluster of at least 10,000, but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.
 - c. Metropolitan Divisions (metro divisions). If specified criteria are met, a metro area containing a single core with a population of 2.5 million or more may be subdivided to form smaller groupings of counties referred to as Metropolitan Divisions.

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- d. Combined Statistical Areas (combined areas). If specified criteria are met, adjacent metro and micro areas, in various combinations, may become the components of a new set of areas called Combined Statistical Areas. The areas that combine retain their own designations as metro or micro areas within the larger combined area.
 4. Counties and county equivalents defined as of January 1, 2002. Counties are the primary divisions of states, except in Louisiana where they are called parishes and in Alaska where they are called boroughs, census areas, and city and boroughs. Maryland, Missouri, Nevada, and Virginia have one place or more that is independent of any county organization and constitutes primary divisions of their states. These places are treated as counties and as places.
 5. Economic places.
 - a. Municipalities of 2,500 inhabitants or more defined as of January 1, 2002. These are areas of significant population incorporated as cities, boroughs, villages, or towns according to the 2000 Census of Population. For the economic census, boroughs, census areas, and city and boroughs in Alaska and boroughs in New York are not included in this category.
 - b. Consolidated cities defined as of January 1, 2002. Consolidated cities are consolidated governments that consist of separately incorporated municipalities.
 - c. Townships in Michigan, New Jersey, and Pennsylvania, and towns in New York, Wisconsin, and the six New England states with 10,000 inhabitants or more (according to the 2000 Census of Population).
 - d. Balance of county. Areas outside the entities listed above, including incorporated municipalities with populations of fewer than 2,500, towns and townships not qualifying as noted above, and the remainders of counties outside places are categorized as "Balance of county."

DOLLAR VALUES

All dollar values presented are expressed in current dollars; i.e., 2002 data are expressed in 2002 dollars, and 1997 data, in 1997 dollars. Consequently, when making comparisons with prior years, users of the data should consider the changes in prices that have occurred.

All dollar values are shown in thousands of dollars.

COMPARABILITY OF THE 1997 AND 2002 ECONOMIC CENSUSES

Both the 2002 Economic Census and the 1997 Economic Census present data based on the North American Industry Classification System (NAICS). However, for 2002, data for NAICS 54132, Landscape Architectural Services, and NAICS 54194, Veterinary Services, are included. These NAICS industries were out of scope in 1997.

Data for this sector for 2002 include totals for taxable and tax-exempt businesses together, not present in 1997 reports. For 1997, only data for taxable establishments were shown at county and place levels in the Geographic Area Series. For 2002, data for taxable and tax-exempt establishments, as well as the combined totals, are shown at these geographic levels.

These tables for 2002 include professional, scientific, and technical service establishments that primarily serve other establishments of the same enterprise. These "enterprise support" establishments were not included in data for the professional, scientific, and technical services sector in 1997, but were instead included in the "Other auxiliary establishments" kind-of-business category in the "Auxiliaries, Excluding Corporate, Subsidiary, and Regional Managing Offices" reports.

For 2002, the revenue data for tax-exempt establishments include gains or losses from the sale of real estate, investments, or other assets. In 1997, these gains or losses were excluded from revenue. Also, the 2002 expenses data for tax-exempt establishments exclude program service grants, contributions and gifts paid, specific assistance to individuals, and benefits paid to or for members. In 1997, these types of expenses were included.

RELIABILITY OF DATA

All data compiled for this sector are subject to nonsampling errors. Nonsampling errors can be attributed to many sources: inability to identify all cases in the actual universe; definition and classification difficulties; differences in the interpretation of questions; errors in recording or coding the data obtained; and other errors of collection, response, coverage, processing, and estimation for missing or misreported data. Data presented in the Miscellaneous Subjects and Product Lines reports for this sector are subject to sampling errors, as well as nonsampling errors.

The accuracy of these tabulated data is determined by the joint effects of the various nonsampling errors or by the joint effects of sampling and nonsampling errors. No direct measurement of these effects has been obtained except for estimation for missing or misreported data, as by the percentages shown in the tables. Precautionary steps were taken in all phases of the collection, processing, and tabulation of the data in an effort to minimize the effects of nonsampling errors. More information on the reliability of the data is included in Appendix C, Methodology.

DISCLOSURE

In accordance with federal law governing census reports (Title 13 of the United States Code), no data are published that would disclose the operations of an individual establishment or business. However, the number of establishments in a kind-of-business classification is not considered a disclosure; therefore, this information may be released even though other information is withheld. Techniques employed to limit disclosure are discussed at www.census.gov/epcd/ec02/disclosure.htm.

AVAILABILITY OF MORE FREQUENT ECONOMIC DATA

The Census Bureau conducts the Service Annual Survey (SAS) each year. This survey, while providing more frequent observations, yields less kind-of-business and geographic detail than the economic census. In addition, the County Business Patterns program offers annual statistics on the number of establishments, employment, and payroll classified by industry within each county, and Statistics of U.S. Businesses program provides annual statistics classified by the employment size of the enterprise, further classified by industry for the United States, and by broader categories for states and metropolitan areas.

CONTACTS FOR DATA USERS

Questions about these data may be directed to the U.S. Census Bureau, Service Sector Statistics Division, Service Census Branch, 1-800-541-8345 or scb@census.gov.

ABBREVIATIONS AND SYMBOLS

The following abbreviations and symbols are used with these data:

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| D | Withheld to avoid disclosing data of individual companies; data are included in higher level totals |
| N | Not available or not comparable |
| S | Withheld because estimates did not meet publication standards |
| X | Not applicable |
| Z | Less than half the unit shown |
| a | 0 to 19 employees |
| b | 20 to 99 employees |
| c | 100 to 249 employees |
| e | 250 to 499 employees |
| f | 500 to 999 employees |
| g | 1,000 to 2,499 employees |
| h | 2,500 to 4,999 employees |
| i | 5,000 to 9,999 employees |
| j | 10,000 to 24,999 employees |
| k | 25,000 to 49,999 employees |
| l | 50,000 to 99,999 employees |
| m | 100,000 employees or more |

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|------|---|
| r | Revised |
| – | Represents zero (page image/print only) |
| (CC) | Consolidated city |
| (IC) | Independent city |